



## Senate

General Assembly

**File No. 399**

*January Session, 2007*

Substitute Senate Bill No. 1251

*Senate, April 10, 2007*

The Committee on Planning and Development reported through SEN. COLEMAN of the 2nd Dist., Chairperson of the Committee on the part of the Senate, that the substitute bill ought to pass.

***AN ACT CONCERNING PRIORITY IN AUTHORIZATION OF BONDS  
BY THE STATE BOND COMMISSION.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Subsection (g) of section 3-20 of the general statutes is  
2 repealed and the following is substituted in lieu thereof (*Effective*  
3 *October 1, 2007*):

4 (g) (1) With the exception of refunding bonds, whenever a bond act  
5 empowers the State Bond Commission to authorize bonds for any  
6 project or purpose or projects or purposes, and whenever the State  
7 Bond Commission finds that the authorization of such bonds will be in  
8 the best interests of the state, it shall authorize such bonds by  
9 resolution adopted by the approving vote of at least a majority of said  
10 commission. No such resolution shall be so adopted by the State Bond  
11 Commission unless it finds that there has been filed with it (A) any  
12 human services facility colocation statement to be filed with the  
13 Secretary of the Office of Policy and Management, if so requested by

14 the secretary, pursuant to section 4b-23; (B) a statement from the  
15 Commissioner of Agriculture pursuant to section 22-6, for projects  
16 which would convert twenty-five or more acres of prime farmland to a  
17 nonagricultural use; (C) prior to the meeting at which such resolution  
18 is to be considered, any capital development impact statement  
19 required to be filed with the Secretary of the Office of Policy and  
20 Management; (D) a statement as to the full cost of the project or  
21 purpose when completed and the estimated operating cost for any  
22 structure, equipment or facility to be constructed or acquired; [and] (E)  
23 a statement from the Secretary of the Office of Policy and Management  
24 indicating whether or not the project involves the cooperation of two  
25 or more municipalities; and (F) such requests and such other  
26 documents as it or said bond act require, provided no resolution with  
27 respect to any school building project financed pursuant to section 10-  
28 287d or any interest subsidy financed pursuant to section 10-292k shall  
29 require the filing of any statements pursuant to subparagraph (A), (B),  
30 (C), (D) or (E) of this subdivision and provided further any resolution  
31 requiring a capital impact statement shall be deemed not properly  
32 before the State Bond Commission until such capital development  
33 impact statement is filed. If the State Bond Commission determines  
34 that a project has a significant regional impact, the commission shall  
35 give priority to authorizing such project. In making such  
36 determination, the State Bond Commission shall consider whether (i)  
37 the project involves cooperation between two or more municipalities;  
38 (ii) such cooperation will lower the costs of the cooperating  
39 municipalities; (iii) such project is a regional asset that will have a  
40 positive impact on the regional economy; and (iv) such project is on a  
41 list of priority projects maintained by a regional planning agency or  
42 other regional organization. Any such resolution so adopted by the  
43 State Bond Commission shall recite the bond act under which said  
44 commission is empowered to authorize such bonds and the filing of all  
45 requests and other documents, if any, required by it or such bond act,  
46 and shall state the principal amount of the bonds authorized and a  
47 description of the purpose or project for which such bonds are  
48 authorized. Such description shall be sufficient if made merely by

49 reference to a numbered subsection, subdivision or other applicable  
50 section of such bond act.

51 (2) The agenda of each meeting shall be made available to the  
52 members of the commission not later than five business days prior to  
53 the meeting at which such agenda is to be considered. The day of the  
54 meeting shall count as one of the business days. The agenda of each  
55 meeting, or any supporting documents included with such agenda,  
56 shall include a reference to the statute or public or special act which is  
57 the source of any funds to be used for any project on such agenda,  
58 including any contingency funds and any reuse or reallocation of  
59 funds previously approved for any other use or project, and a notation  
60 of the outside source from which any funds for any such project were  
61 received, if any.

62 (3) Upon adoption of a resolution, the principal amount of the  
63 bonds authorized therein for such purpose or project shall be deemed  
64 to be an appropriation and allocation of such amount for such purpose  
65 or project, respectively, and subject to approval by the Governor of  
66 allotment thereof and to any authorization for such project or purpose  
67 that may otherwise be required, contracts may be awarded and  
68 obligations incurred with respect to any such project or purpose in  
69 amounts not in the aggregate exceeding such authorized principal  
70 amount, notwithstanding that such contracts and obligations may at a  
71 particular time exceed the amount of the proceeds from the sale of  
72 such bonds theretofore received by the state. In any such resolution so  
73 adopted, the State Bond Commission may include provision for the  
74 date or dates of such bonds, the maturity of such bonds and,  
75 notwithstanding the provisions of any bond act taking effect prior to  
76 July 1, 1973, provision for either serial or term, sinking fund or other  
77 reserve fund requirements, if any, due dates of the interest thereon, the  
78 form of such bonds, the denominations and designation of such bonds,  
79 registration, conversion and transfer privileges and the terms of  
80 redemption with or without premium and the date and manner of sale  
81 of such bonds, provisions for the consolidation of such bonds with  
82 other bonds including refunding bonds for the purpose of sale as

83 provided in subsection (h) of this section, limitations with respect to  
84 the interest rate or rates on such bonds, provisions for receipt and  
85 deposit or investment of the good faith deposit pending delivery of  
86 such bonds and such other terms and conditions of such bonds and of  
87 the issuance and sale thereof as the State Bond Commission may  
88 determine to be in the best interest of the state, provided the State  
89 Bond Commission may delegate to the Treasurer all or any part of the  
90 foregoing powers in which event the Treasurer shall exercise such  
91 powers until the State Bond Commission, by adoption of a resolution  
92 prior to exercise of such powers by the Treasurer shall elect to  
93 reassume the same. Such powers shall be exercised from time to time  
94 in such manner as the Treasurer shall determine to be in the best  
95 interests of the state and the Treasurer shall file a certificate of  
96 determination setting forth the details thereof with the secretary of the  
97 State Bond Commission on or before the date of delivery of such  
98 bonds, the details of which were determined by the Treasurer in  
99 accordance with such delegation.

100 (4) On or before January 1, 2007, and annually thereafter, the  
101 Secretary of the Office of Policy and Management shall submit a report  
102 to the joint standing committee of the General Assembly having  
103 cognizance of matters relating to finance, revenue and bonding, which  
104 report shall update, for all outstanding bond allocations, the statement  
105 required under subparagraph (D) of subdivision (1) of this subsection.

106 (5) The State Bond Commission may authorize the Commissioner of  
107 Economic and Community Development to defer payments of interest  
108 or principal, or a portion thereof, in the case of a troubled loan, as  
109 defined in subdivision (1) of subsection (e) of section 8-37x, made by  
110 the commissioner under any provision of the general statutes.

This act shall take effect as follows and shall amend the following sections:		
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Section 1	October 1, 2007	3-20(g)
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**PD**      *Joint Favorable Subst.*

The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either chamber thereof for any purpose:

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***OFA Fiscal Note***

***State Impact:*** None

***Municipal Impact:*** None

***The Out Years***

***State Impact:*** None

***Municipal Impact:*** None

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**OLR Bill Analysis****sSB 1251*****AN ACT CONCERNING PRIORITY IN AUTHORIZATION OF BONDS  
BY THE STATE BOND COMMISSION.*****SUMMARY:**

By law, several documents must be filed with the State Bond Commission before it can authorize a bond resolution. This bill additionally requires the Office of Policy and Management secretary to file a statement indicating whether the project involves the cooperation of two or more municipalities. It requires the commission to give priority to projects that have a significant regional impact. In determining whether a project has such an impact, the bill requires the commission to consider whether (1) the project involves the cooperation of two or more municipalities, (2) such cooperation will lower the municipalities' costs, (3) the project is a regional asset that will have a positive impact on the regional economy, and (4) the project is on a list of priority projects maintained by a regional planning agency or other appropriate regional body.

EFFECTIVE DATE: October 1, 2007

**COMMITTEE ACTION**

Planning and Development Committee

Joint Favorable Substitute

Yea 19 Nay 0 (03/23/2007)